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Statistical capacity-building

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Report of the Secretary-General

Summary

The present paper was prepared at the request of the Statistical Commission at its thirty-second session.[a] It discusses the elements of national statistical capacity and the necessary conditions to build such capacity at the national level. It also reflects on the role that technical cooperation on the part of the international community could play in order to support national efforts for capacity-building. The report contains a brief description of the current programme of the United Nations Statistics Division in the area of technical cooperation. Points for discussion are contained in paragraph 18.

[a] See *Official Records of the Economic and Social Council, 2001, Supplement No. 4* (E/2001/24), chap. I, sect. A.

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I. Introduction

1. At the thirty-second session of the Statistical Commission, it was proposed to include a debate on statistical capacity-building in the Commission's agenda, centring on such questions as "What do we understand by statistical capacity?", "Who is actually building it?", "How do we know that we have been successful in our efforts?" and "What lessons can be learned from past experience?"

2. The importance of national statistical capacity-building has been stressed repeatedly. For instance, in paragraph 3 of its resolution 2000/27 on basic indicators in the context of follow-up to major United Nations conferences and summits held in the 1990s, the Economic and Social Council reaffirmed the importance of national efforts to build statistical capacity in all countries, including through statistical training, and of effective international support in that context for developing countries.

3. In general, questions about the success of capacity-building and the measurability of progress have become all the more urgent in a context of scarce national and international resources. National administrations are being held accountable by their citizens for the effective allocation of their resources and donors are concerned about aid efficiency, which explains current efforts to develop indicators of statistical capacity. The PARIS 21 Task Team on Statistical Capacity-building Indicators is currently investigating how the indicators contained in the Data Quality Assessment Framework of the International Monetary Fund (IMF) can be adapted as indicators for monitoring statistical capacity (see also E/CN.3/2002/19, para.17; and E/CN.3/2002/22).

4. The present report will discuss in a general manner the nature of "statistical capacity" in section II. Section III then considers which elements of statistical capacity-building the international community can best support within the context of technical cooperation programmes. The objective is by no means to provide a comprehensive analysis of those issues but rather to stimulate and facilitate a first exchange of views on them. Sections II and III also set the stage for a critical examination in section IV of the specific technical cooperation activities of the United Nations Statistics Division. In its oversight role for the United Nations Statistics Division programme, the Commission is then asked to evaluate whether the activities undertaken by the United Nations Statistics Division address the right issues and use the appropriate instruments.

II. Elements of statistical capacity

5. Statistical capacity can be described either from an input or from an output perspective vis-à-vis the production of statistical information. In the input perspective, the focus is on "statistical capability", i.e., the factors that are needed for statistical production, such as the institutional context and human and capital resources. The output perspective examines "realized statistical capacity". From that perspective, the statistical capacity of a specific country would be described in terms of quantity and quality of statistical output. The availability of specific time series in statistical priority sectors, for instance, would indicate a certain level of statistical capacity. The output approach is typically chosen when it comes to measuring statistical capacity or performance. Developing an indicator of statistical performance would require the selection of key data series, a description of their data quality and the definition of a measure on the quantity/quality space, thus introducing relative weights between different areas of statistical time series and between data quantity and quality.

6. To facilitate a debate on how the international community can be most effective in supporting national statistical capacity-building, the input perspective will be preferred for the purpose of the present report. In its most abstract form, statistical capacity may be described in terms of two factors, (a) the statistical system and (b) its various resources, most importantly among them the technical expertise. Specifically, the following elements may be distinguished:

(a) *Institutional context*: this refers to the underlying legal system as well as the general public sector structure in which the statistical system is embedded. The position of the statistical office in the public sector and the existence of competitive remuneration for statistical staff are indicative of a national government's commitment to better statistics. Institutional statistical capacity also includes the existence of relevant coordination agreements between stakeholders and the various data producers. In a wider sense, institutional statistical capacity may also include the presence of a supportive education system, in which statistical knowledge and expertise is

transmitted through a special statistics programme, for example, in a national university;

(b) *Physical or capital resources*: this refers to the buildings, equipment and financial resources needed to undertake statistical operations, and may also include some intangible assets, which are important elements of knowledge management, such as specific software that was developed to support specific methodologies and a statistical library containing manuals and methodology descriptions;

(c) *Human resources*: in a strict quantitative sense, this refers to a sufficient number of staff to run complex statistical operations;

(d) *Knowledge resources*: this refers to the qualitative dimension of the human resources. A crucial element of statistical capacity is the technical expertise embodied by the staff. Statistical knowledge is usually acquired through a combination of formal training and practical experience;

(e) *Management resources*: management and leadership are increasingly recognized as important production factors for statistics. Capital resources and technical capabilities may be available, but if they are badly managed the statistical output may still lag behind.

7. Describing statistical capacity in terms of inputs makes it more difficult to measure it, even though input measures, such as "percentage of national budget devoted to statistics" or "number of professional statisticians per x number of inhabitants" have been proposed in order to arrive at internationally comparable numbers. However, the advantage of describing statistical capacity using the input perspective is that the question of who is responsible for building a specific element of statistical capacity can be addressed. In particular, in the following section an attempt will be made to distinguish between internal and external statistical capacity-building efforts.

III. Role of technical cooperation

8. The responsibility of building national statistical capacity lies with the national government. This is all the more obvious in the long run where it is not "building" but "sustaining" statistical capacity that is the objective. External support in the form of bilateral or multilateral arrangements can make important strategic contributions towards the long-term goal of "better use of better statistics"; however, such support will always be temporary in nature, even when relatively longstanding relations are established, as is the case in some "twinning arrangements". Due to that temporary nature, it is clear that technical cooperation activities have the highest chance of success when they focus on specific achievable objectives in the short or medium term, such as the implementation of an international standard or the execution of a specific statistical operation.

9. Setting an institutional context that is conducive to statistical capacity-building is clearly under the exclusive authority of the national government. The international community can support national efforts by providing a framework built on professional principles. In that sense, the adoption of the fundamental principles of official statistics,[1] in addition to enshrining a professional codex, was also a piece of "technical cooperation", especially for new countries that are faced with the challenge of building a functioning statistical system from scratch, as well as for those that wish to undertake institutional reforms. The international community can also assist individual countries by sharing best practices with respect to institutional arrangements. However, any efforts by bilateral or multilateral assistance to specifically target the statistical sector in a country are bound to have limited success if the entire public sector context is not taken into account. After all, the statistical capability of a country is in itself an important element of "good governance" since the regular production of reliable and timely data introduces an element of accountability for the government.

10. The physical and capital resources for the priority statistical operations that produce the main data time series for national policy decision-making should ideally be financed nationally to ensure continuity and sustainability. External resources may be needed to conduct specialized studies provided that they are not donor driven but rather part of a national statistical development plan.

11. The area in which technical cooperation can be expected to be both most needed and most effective is in the transfer of technical expertise to strengthen the human resources component of statistical capacity. In fact, the guiding principles for good practices in technical cooperation for statistics, which were discussed and endorsed by the Commission in 1999,[2]

defines technical cooperation in that sense as "the exchange and development of know-how and technical expertise in order to build capacities to produce and use statistics" (see E/CN.3/1999/19, annex, para. 2). The guiding principles then proceed to identify a number of necessary conditions for technical cooperation activities to be successful; for example, they must respond to country demand and must be well coordinated.

12. With respect to managerial capacity, it seems least obvious who and through what mechanism that capacity could be built most effectively. Since statistical management is part of overall public sector management, there is scope for national training initiatives. However, due to the specialized nature of statistics and the limited number of statistical managers in every country, an argument for international training support could be made.

IV. United Nations Statistics Division technical cooperation programme

13. Recognizing the fundamental importance of strong national statistical systems, the United Nations Statistics Division has always supported countries and regions in building their statistical capacity as part of its regular work programme. As an integral part of its normative and analytical function, the Division produces extensive technical material in the form of handbooks (on national accounting, census recommendations etc.). Moreover, the recent publication of a handbook on the operation and organization of a statistical agency has gone beyond the strictly statistical and technical subject matters to address institutional and managerial issues. One special asset of the Division is the convening power of the United Nations, which is used extensively when it comes to calling expert group meetings and workshops with the primary objective of facilitating a dialogue among member States, thus creating a forum for the exchange of good practices.

14. More specifically, for its technical cooperation training activities the Division can basically use three main sources of funding. First, the Division has continued its long-standing partnership with the United Nations Population Fund in improving population statistics, particularly in the areas of the decennial census, surveys and civil registration and vital statistics. In 2001, the partnership supported five international workshops, four national training sessions and eight consultancies in the area of geographic information systems, census management, census data processing, census methodology and population projections. In addition, the partnership also supported two more general seminars in the area of organization and management of statistical systems and problems of statistics development in the countries in transition.

15. The second avenue is the Division's regular programme for technical cooperation, which provides for one interregional adviser in national accounts and one in informatics. The six workshops and six consultancy services conducted under the programme in 2001 covered such issues as trade statistics (Latin America and Southern African countries); national accounts (African and Western Asian countries); dissemination and marketing of statistics as well as operations of statistical organizations (Commonwealth of Independent States countries); civil registration and vital statistics (Latin America); classification (Africa); disability statistics (Africa); and population and housing censuses (global). The programme also supported fellowships on the subjects of environmental accounting and statistical organizations, and financed the participation of attendees from developing and transition countries in an International Statistical Institute conference in Seoul. Moreover, the management and staff of the Division conducted up to 50 country visits under the programme to provide advisory services on the above-mentioned subject areas to developing countries and countries in transition.

16. The third source of funding is the United Nations Development Account. The Division has two programmes currently in operation, one with the Caribbean Community (CARICOM) countries and one with the Association of South-East Asian Nations (ASEAN) countries. A third programme has been recently approved in cooperation with the Economic and Social Commission for Western Asia (ESCWA). All of the regional programmes funded by the United Nations Development Account aim to strengthen the regional capacities for statistical development in the region by creating expert networks, and are developed in close consultation with the statistical offices in the relevant regions in order to determine the focus of the programmes.

17. The CARICOM programme's substantive focus lies in the areas of census management, social and

gender statistics, as well as environment statistics. Throughout 2001, three expert group meetings were conducted and three consultancies were provided in the above-mentioned focus areas. In the ASEAN programme, the substantive focus of the programme lies in the areas of national and satellite accounting, development indicators and statistical organization and management. In 2001, seven workshops on the above-mentioned focus areas, as well as the subject areas of dissemination and marketing, price statistics and informal sector statistics, were conducted. The programme provided four consultancies in the area of dissemination and marketing, statistical organization and management, and informal sector statistics. The ASEAN programme also supported the head of the statistical offices in the ASEAN region to attend an International Statistical Institute conference in Seoul. Finally, the ASEAN project enabled the United Nations Statistics Division to technologically upgrade selected statistical offices in the subregion. With respect to the new ESCWA programme slated to commence in 2002, the substantive focus lies in the areas of statistical organization and management, census management and harmonization of census methodology, and environmental statistics.

V. Points for discussion

18. The Commission may wish to:

(a) Comment on the description contained in the present report of statistical capacity-building and the role that technical cooperation plays therein;

(b) Give directions regarding the orientation of the technical cooperation programme of the United Nations Statistics Division;

(c) Decide which specific topics related to statistical capacity-building, if any, it wishes to consider at future sessions.

Notes

[1] See *Official Records of the Economic and Social Council, 1994, Supplement No. 9* (E/1994/29), chap. V.

[2] See ibid., *1999, Supplement No. 4* (E/1999/24), chap. VIII.